

<b>TO: Mail Stop 8</b> <b>Director of the U.S. Patent &amp; Trademark Office</b> <b>P.O. Box 1450</b> <b>Alexandria, VA 22313-1450</b>	<b>REPORT ON THE</b> <b>FILING OR DETERMINATION OF AN</b> <b>ACTION REGARDING A PATENT OR</b> <b>TRADEMARK</b>
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In Compliance with 35 § 290 and/or 15 U.S.C. § 1116 you are hereby advised that a court action has been  
filed in the U.S. District Court Northern District of California on the following ☒ Patents or ☐ Trademarks:

DOCKET NO. CV 11-04601 JCS	DATE FILED 9/16/2011	U.S. DISTRICT COURT Northern District of California, San Francisco
PLAINTIFF SAP AMERICA, INC.		DEFENDANT PURPLE LEAF, LLC, ET AL
PATENT OR TRADEMARK NO.	DATE OF PATENT OR TRADEMARK	HOLDER OF PATENT OR TRADEMARK
1 7,603,311		<b>** SEE ATTACHED COMPLAINT **</b>

In the above—entitled case, the following patent(s) have been included:

DATE INCLUDED	INCLUDED BY		
	<input type="checkbox"/> Amendment <input type="checkbox"/> Answer <input type="checkbox"/> Cross Bill <input type="checkbox"/> Other Pleading		
PATENT OR TRADEMARK NO.	DATE OF PATENT OR TRADEMARK	HOLDER OF PATENT OR TRADEMARK	
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In the above—entitled case, the following decision has been rendered or judgement issued:

DECISION/JUDGEMENT
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CLERK Richard W. Wieking	(BY) DEPUTY CLERK Mark J. Jenkins	DATE 9/20/2011
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1           35.     Moreover, notwithstanding all of the other defects surrounding the 2010  
2 Assignment Agreement, Defendant Yadav-Ranjan did not expressly transfer to Purple Leaf  
3 Delaware the right to sue for past infringement of the '311 Patent.

4           **Purple Leaf Delaware's Wrongful Assignment of the '311 Patent to Purple Leaf Texas**

5           36.     On information and belief, on May 26, 2011, Defendant Yadav-Ranjan, on behalf  
6 of Purple Leaf Delaware, executed an assignment purporting to assign the '311 Patent to Purple  
7 Leaf Texas ("2011 Assignment Agreement").

8           37.     On information and belief, in the 2011 Assignment Agreement, Defendants  
9 Yadav-Ranjan and Purple Leaf Delaware represented that Purple Leaf Delaware was at the time  
10 the owner of the entire right, title and interest in the '311 Patent. Defendants made this  
11 representation despite the fact that Defendant Yadav-Ranjan did not expressly transfer to Purple  
12 Leaf Delaware the right to sue for past infringement in the 2010 Assignment Agreement and  
13 despite the fact that Defendant Yadav-Ranjan previously assigned the '311 Patent to Navigator in  
14 2007. On information and belief, as of May 26, 2011, when Defendants Yadav-Ranjan and  
15 Purple Leaf Delaware executed the 2011 Assignment Agreement, Navigator owned the entire  
16 right, title and interest in the '311 Patent and had not assigned any right in the '311 Patent to  
17 Defendants Yadav-Ranjan or Purple Leaf Delaware. Accordingly, the 2011 Assignment  
18 Agreement was ineffective and did not result in the '311 Patent being assigned to Purple Leaf  
19 Texas.

20           **Defendant Yadav-Ranjan's Intentional and Material Misrepresentations to the USPTO**

21           38.     Beginning in July 2010, Defendant Yadav-Ranjan took several steps to try to  
22 record her wrongful assignments with the USPTO and to prevent Navigator from taking any  
23 further action with respect to the '311 Patent.

24           39.     On July 12, 2010, Defendants Yadav-Ranjan and Purple Leaf Delaware filed or  
25 caused to be filed with the USPTO the wrongful and ineffective 2010 Assignment Agreement,  
26 which purported to assign the '311 Patent from Defendant Yadav-Ranjan to Purple Leaf  
27 Delaware, which was recorded at reel 024662, frame 0677.

28           40.     On July 29, 2010, Navigator filed the 2007 Assignment Agreement with the

1 USPTO, by which Defendant Yadav-Ranjan assigned the '311 Patent to Navigator. The 2007  
2 Assignment Agreement was recorded at reel 024741, frame 0843.

3 41. On information and belief, on August 3, 2010, without authorization from  
4 Navigator, Defendants Yadav-Ranjan and Purple Leaf Delaware filed or caused to be filed a  
5 request with the USPTO to revoke the power of attorney of Navigator's counsel and grant power  
6 of attorney to Defendant Yadav-Ranjan ("Power of Attorney Request").

7 42. The Power of Attorney Request, which is signed by Defendant Yadav-Ranjan,  
8 contains false statements, including that Defendant Yadav-Ranjan owned the '311 Patent, despite  
9 the facts that she had already assigned the patent to Navigator in 2007 and had purported to again  
10 assign the patent to Purple Leaf Delaware in 2010.

11 43. On information and belief, on August 9, 2010, without authorization from  
12 Navigator, Defendants Yadav-Ranjan and Purple Leaf Delaware filed or caused to be filed a  
13 request with the USPTO to change the correspondence address associated with the prosecution of  
14 the '311 Patent from Navigator's patent counsel to Defendant Yadav-Ranjan's residence in San  
15 Jose, California ("Change of Correspondence Request").

16 44. The Change of Correspondence Request form states that "signatures of all the  
17 inventors or assignees of record of the entire interest or their representative(s) are required" to  
18 change the correspondence address.

19 45. Despite the fact that she had already assigned the patent to Navigator in 2007 and  
20 had purported to assign the patent to Purple Leaf Delaware in April 2010, Defendant Yadav-  
21 Ranjan signed the August 9, 2010 request alone, representing to the USPTO that she owned the  
22 entire interest of the '311 Patent.

23 46. On September 24, 2010, Defendants Yadav-Ranjan and Purple Leaf Delaware  
24 filed or caused to be filed with the USPTO a Petition to Expunge the recording of the 2007  
25 Assignment Agreement of the '311 Patent to Navigator ("Petition to Expunge"), which was  
26 recorded at reel 025137, frame 0450.

27 47. In the Petition to Expunge, Defendant Yadav-Ranjan declared that "all statements  
28 made herein of my own knowledge are true and that all statements made on information and

1 belief are believed to be true; and further that these statements were made with the knowledge  
2 that willful false statements and the like so made are punishable by fine or imprisonment, or both,  
3 under Section 1001 of Title 18 of the United States Code and that such willful false statements  
4 may jeopardize the validity of the application or any patent issuing thereon.”

5 48. Despite attesting to the veracity of her statements in the Petition to Expunge,  
6 Defendant Yadav-Ranjan made several false statements to the USPTO with the intent to deceive  
7 the USPTO, including *inter alia*:

8 a. On information and belief, Defendant Yadav-Ranjan falsely declared with  
9 the intent to deceive the USPTO that the '311 Patent “remained unassigned until April 15, 2010.”

10 b. On information and belief, Defendant Yadav-Ranjan falsely declared with  
11 the intent to deceive the USPTO that attorney “Timothy W. Lohse wrongfully, and without  
12 privilege, caused to be recorded an incomplete and misleading copy of the 2007 Assignment  
13 Agreement to the USPTO.”

14 c. On information and belief, although Defendant Yadav-Ranjan was aware  
15 that Mr. Lohse was retained by Navigator to provide advice on intellectual property issues,  
16 including prosecution of the patent application which issued as the '311 Patent, she falsely  
17 declared with the intent to deceive the USPTO that she had retained Mr. Lohse in her individual  
18 capacity.

19 d. On information and belief, Defendant Yadav-Ranjan falsely declared with  
20 the intent to deceive the USPTO that the 2007 Assignment Agreement contained errors and  
21 should not have listed the '311 Patent as assigned to Navigator.

22 e. On information and belief, Defendant Yadav-Ranjan falsely declared with  
23 the intent to deceive the USPTO that “[t]he copy of the [2007] Assignment Agreement also shows  
24 the name of the company to be ‘Construction Navigator, Inc’ [ ] not the purported assignee name  
25 of ‘Navigator Technology, Inc’ [ ] further highlighting the obvious errors.” Defendant Yadav-  
26 Ranjan purposely concealed from the USPTO the fact that prior to 2009, Navigator Technology  
27 was called Construction Navigator, Inc. In addition, on information and belief, Defendant Yadav-  
28 Ranjan was aware that her statement to the USPTO was false, having signed a Certificate of

1 Amendment that changed the name of the company from Construction Navigator, Inc to  
2 Navigator Technology on or around May 6, 2009.

3 49. In response to the Petition to Expunge, the USPTO removed its record of the 2007  
4 Assignment Agreement from its assignment database accessible on the USPTO website.

5 50. On December 21, 2010, Defendants Yadav-Ranjan and Purple Leaf Delaware filed  
6 or caused to be filed with the USPTO a request to grant power of attorney to Purple Leaf  
7 Delaware's counsel. The request, signed by Defendant Yadav-Ranjan, falsely states with the  
8 intent to deceive the USPTO that Purple Leaf Delaware is the assignee of the '311 Patent.

9 51. On December 29, 2010, the USPTO denied Defendants Yadav-Ranjan and Purple  
10 Leaf Delaware's request for a power of attorney for failing to file a statement under 37 CFR  
11 3.73(b) providing that Purple Leaf Delaware is the assignee of the entire, right, title, and interest  
12 in the '311 Patent.

13 52. Subsequently, on January 5, 2011, Defendants Yadav-Ranjan and Purple Leaf  
14 Delaware filed or caused to be filed a second request to grant power of attorney to Purple Leaf  
15 Delaware's counsel along with a false statement with the intent to deceive the USPTO that Purple  
16 Leaf Delaware was the assignee of the entire, right, title, and interest in the '311 Patent.

17 53. On September 8, 2011, Defendants Yadav-Ranjan and Purple Leaf Delaware filed  
18 or caused to be filed with the USPTO the wrongful and ineffective 2011 Assignment Agreement  
19 purporting to assign the '311 Patent to Purple Leaf Texas, which was recorded at reel 026871,  
20 frame 0191.

### 21 The Santa Clara Action

22 54. On or around July 30, 2010, Petro Estakhri, Navigator's Chairman of the Board,  
23 directly and derivatively on behalf of Navigator, brought an action against Defendants Yadav-  
24 Ranjan and Purple Leaf Delaware in the Superior Court of California, County of Santa Clara.  
25 The complaint asserts several causes of action, including but not limited to, conversion of the  
26 '311 Patent.

27 55. On or around September 3, 2010, Defendant Yadav-Ranjan filed a cross-complaint  
28 against Petro Estakhri and Navigator. The cross-complaint asserts several causes of action,

1 including but not limited to, conversion of the '311 Patent and causes of action requesting  
2 reformation, rescission, and cancellation of the 2007 Assignment Agreement.

3 56. On or around January 26, 2011, Petro Estakhri and Navigator filed an *ex parte*  
4 application for a Temporary Restraining Order to restrain Defendants Yadav-Ranjan and Purple  
5 Leaf Delaware from, among other limitations, (1) transferring the '311 Patent pending trial in the  
6 Santa Clara Action; and (2) taking any action before the USPTO without providing advanced  
7 notice to counsel for Navigator. The Temporary Restraining Order and a related Order to Show  
8 Cause as to why the temporary restraining order should not issue was granted on January 26,  
9 2011.

10 57. On February 1, 2011, Purple Leaf Delaware filed a Response to the Santa Clara  
11 County Court's Order to Show Cause, in which Defendant Yadav-Ranjan joined. In support of  
12 Purple Leaf Delaware's Response, Defendant Yadav-Ranjan signed a declaration under penalty  
13 of perjury, which further elaborated on the allegations in her cross-complaint ("the Declaration").

14 58. In the Declaration, Defendant Ranjan-Yadav asserts that prior to signing the  
15 agreement she contacted an attorney at Greenberg Traurig LLP and "told him that Schedule B  
16 was inaccurate and the '311 patent Application was not to be included because it did not relate to  
17 the business of Navigator. After this conversation, [the attorney] provided me with a revised  
18 version of the Assignment Agreement that contained instructions to delete all references to the  
19 '311 Patent Application and related applications."

20 59. Defendant Ranjan-Yadav attached to the Declaration what she claimed to be a true  
21 and correct copy a July 28, 2007 e-mail from the Greenberg Traurig attorney attaching the  
22 allegedly revised version of the 2007 Assignment Agreement. Next to the listing of the patent  
23 application that issued as the '311 Patent in the copy of the version of Schedule B attached to the  
24 Declaration there is a notation stating, "please remove."

25 60. In the Declaration, Defendant Ranjan-Yadav also asserted that prior to signing the  
26 2007 Employment Agreement she was provided with a draft by an attorney at DLA Piper.  
27 Defendant Ranjan-Yadav declares that the "draft listed no prior inventions on Exhibit A. I  
28 contacted [the attorney] and alerted him of the fact that the '311 Patent Application was not on

1 the Employment Agreement. [The attorney] stated he would type in the '311 Patent Application  
2 to this document. Accordingly, when I executed this page along with several other unattached  
3 signature pages, I did not mark the box for 'No inventions or improvements.'"

4 61. On February 4, 2011, Navigator and Estakhri filed a Reply to the Court's Order to  
5 Show Cause. In the Reply, Navigator and Estakhri assert that the evidence does not support  
6 Defendant Yadav-Ranjan's contention of a mistake with respect to the 2007 Assignment  
7 Agreement, and "indeed, the evidence suggests that Yadav-Ranjan may have tampered with an  
8 exhibit to her declaration."

9 62. Navigator and Estakhri state in the Reply that they obtained a copy of the July 28,  
10 2007 e-mail from the attorney at Greenberg Traurig, and contrary to the statements in Defendant  
11 Yadav-Ranjan's sworn declaration, the draft of the 2007 Assignment Agreement attached to the  
12 July 28, 2007 e-mail contains no color text or highlighting, nor does it contain the notation  
13 "please remove" next to the patent application which issued as the '311 Patent.

14 63. In the Reply, Navigator and Estakhri also identified several additional pieces of  
15 evidence, which they alleged were additional proof that Defendant Yadav-Ranjan intended to  
16 transfer the '311 Patent to Navigator in September 2007. That evidence includes the following:

17 a. In a July 31, 2007 e-mail, Defendant Yadav-Ranjan wrote to the attorney  
18 handling general corporate matters for Navigator and stated "[j]ust assign all the IP to CNI  
19 [Construction Navigator, Inc.]"

20 b. On September 5, 2007, "angry" that Estakhri required Defendant Yadav-  
21 Ranjan forgive her \$60,000 loan to Navigator as a condition to Estakhri investing in the Series A  
22 Financing, Defendant Yadav-Ranjan wrote to the attorney handling general corporate matters for  
23 Navigator and stated "More important than that is the fact that I am attaching the e-commerce  
24 patent, which is loosely valued at over \$100M!"

25 c. From July 28, 2007, the time period that Defendant Yadav-Ranjan stated  
26 she instructed Navigator's counsel to remove references to the '311 Patent from the draft 2007  
27 Assignment Agreement, to September 18, 2007, when she executed the 2007 Assignment  
28 Agreement, Defendant Yadav-Ranjan was copied on two e-mails, dated August 21, 2007 and

1 September 8, 2007, which included drafts of the 2007 Assignment Agreement listing the '311  
2 Patent on Schedule B.

3 d. After an unfavorable CEO review on September 24, 2009, Defendant  
4 Yadav-Ranjan considered resigning her position as CEO. On condition of her returning to the  
5 position of CEO, Defendant Yadav-Ranjan demanded compensation that included, among other  
6 things: "The Company must assign that certain patent of the Company regarding 'Process and  
7 Device for Conducting Electronic Transactions (991100)', 09[/721,728, to Ms. Yadav-Ranjan."

8 e. In an October 2009 e-mail to Estakhri and others, Defendant Yadav-Ranjan  
9 stated, "having received a bias [sic], employment review filled with untruths I resigned my  
10 position of CEO. Petro asked for terms under which I would consider continuing to run the  
11 company while also raising venture money, sales and cto responsibilities. Understanding the  
12 financial position of the company, the only reasonable compensation was equity and reassignment  
13 of my first patent which has nothing to do with the technology of the company."

14 64. The Santa Clara County Court entered a Preliminary Injunction against Defendants  
15 Yadav-Ranjan and Purple Leaf Delaware on February 7, 2011 enjoining them from, among other  
16 limitations, (1) transferring the '311 Patent pending trial in the Santa Clara Action; and (2) taking  
17 any action before the USPTO without providing advanced notice to counsel for Navigator.

18 65. On March 7, 2011, the Santa Clara Action was mediated at JAMS. A settlement  
19 agreement was reached in principle at the mediation and the parties thereafter drafted definitive  
20 settlement documents ("Settlement Agreement and Mutual Release.")

21 66. Pursuant to the Settlement Agreement and Mutual Release, Defendant Yadav-  
22 Ranjan agreed to "pay to Navigator or its assigns the total sum of nine hundred thousand dollars  
23 (\$900,000)" and Navigator and Estakhri agreed to execute a quitclaim assignment, in the form of  
24 Exhibit E to the Settlement Agreement and Mutual Release, transferring to Purple Leaf Delaware  
25 "whatever rights may have allegedly ever been possessed by either of the Assignors" in and to the  
26 '311 Patent ("Quitclaim Assignment"). The Quitclaim assignment also assigned "all claims for  
27 damages by reason of past infringement" of the '311 Patent.

28 67. The parties agreed, pursuant to the Settlement Agreement and Mutual Release, that



1 the Settlement Agreement and Mutual Release and the Quitclaim assignment would not become  
2 effective until *inter alia* the Santa Clara County Court entered an order granting final approval of  
3 the Settlement, the Preliminary Injunction was dissolved, the Santa Clara County lawsuit was  
4 dismissed with prejudice, and a related action filed in Illinois, *Petro Estakhri v. Yadav-Ranjan, et*  
5 *al*, Case No. 2011 L 002374 (Cook County) was dismissed with prejudice.

6 68. The Settlement Agreement and Mutual Release was approved by the Santa Clara  
7 County Court and the Santa Clara Action was dismissed on or around June 3, 2011.

8 69. The related action filed in Illinois, *Petro Estakhri v. Yadav-Ranjan, et al*, Case No.  
9 2011 L 002374 (Cook County), was dismissed on June 16, 2011.

10 70. Therefore the effective date of the Settlement Agreement and Mutual Release and  
11 the Quitclaim Assignment was no earlier than June 16, 2011.

12 **The Eastern District of Texas Action**

13 71. On May 31, 2011, Purple Leaf Texas filed a complaint in the Eastern District of  
14 Texas, case no. 6:11-cv-00279-LED, alleging that American Express Company, Citigroup, Inc.,  
15 Fiserv, Inc., JP Morgan Chase & Co., PNC Bank, N.A., and SAP had infringed and continue to  
16 infringe the '311 Patent (the "Texas Action"). As of September 16, 2011, SAP has not been  
17 served in the Texas Action.

18 72. On May 31, 2011, when Purple Leaf Texas commenced the Texas Action,  
19 Navigator still owned the entire right, title and interest in the '311 Patent because the Settlement  
20 Agreement and Mutual Release and the Quitclaim Assignment assigning the patent from  
21 Navigator to Purple Leaf Delaware was not effective until at least June 16, 2011. Thus, on May  
22 26, 2011 when Purple Leaf Delaware purported to assign the '311 Patent to Purple Leaf Texas, it  
23 did not have any patent rights to assign.

24 73. Accordingly, when Purple Leaf Texas commenced the Texas Action on May 31,  
25 2011, it lacked standing to sue for infringement of the '311 patent.

1 **FIRST CLAIM FOR RELIEF**  
2 **Declaratory Judgment of Non-Infringement of U.S. Patent No. 7,603,311 B1**  
3 **(against all Defendants)**

4 74. The allegations of paragraphs 1–73 of this Complaint are incorporated by  
5 reference as though set forth in full herein.

6 75. Defendant Purple Leaf Texas has filed suit against SAP in the Eastern District of  
7 Texas for allegedly infringing the '311 Patent.

8 76. The allegations of infringement against SAP have created a substantial, immediate,  
9 and real controversy between the parties as to the non-infringement of the '311 Patent. A valid  
10 and justiciable controversy has arisen and exists between SAP and Defendants within the  
11 meaning of 28 U.S.C. § 2201.

12 77. SAP has not infringed and does not directly or indirectly infringe any valid and  
13 enforceable claim of the '311 Patent, either literally or under the doctrine of equivalents because  
14 none of its products and services practice any valid and enforceable claim of the '311 Patent. A  
15 judicial declaration of non-infringement is necessary and appropriate so that SAP may ascertain  
16 its rights regarding the '311 Patent.

17 **SECOND CLAIM FOR RELIEF**  
18 **Declaratory Judgment of Invalidity of U.S. Patent No. 7,603,311 B1**  
19 **(against all Defendants)**

20 78. The allegations of paragraphs 1–77 of this Complaint are incorporated by  
21 reference as though set forth in full herein.

22 79. The charge of alleged infringement against SAP has created a substantial,  
23 immediate, and real controversy between the parties as to the validity of the '311 Patent. A valid  
24 and justiciable controversy has arisen and exists between SAP and Defendants within the  
25 meaning of 28 U.S.C. § 2201.

26 80. One or more claims of the '311 Patent are invalid because they fail to meet the  
27 conditions of patentability and/or otherwise comply with one or more of 35 U.S.C. §§ 100 *et seq.*,  
28 including, but not limited to, 35 U.S.C. §§ 101, 102, 103 and 112.

81. A judicial declaration of invalidity is necessary and appropriate so that SAP may  
ascertain its rights regarding the '311 Patent.

**THIRD CLAIM FOR RELIEF**  
**Declaration Regarding Defendants' Ownership Rights and Standing to Sue**  
**(against all Defendants)**

82. The allegations of paragraphs 1–81 of this Complaint are incorporated by reference as though set forth in full herein.

83. The charge of alleged infringement against SAP has created a substantial, immediate, and real controversy between the parties regarding the legal title of the '311 Patent. A valid and justiciable controversy has arisen and exists between SAP and Defendants within the meaning of 28 U.S.C. § 2201.

84. In Texas Action, Purple Leaf Texas has represented that it is the owner of all rights, title, and interest to the '311 Patent.

85. Having assigned all right, title, and interest to her intellectual property, including the '311 Patent, to Navigator in 2007, Defendant Yadav-Ranjan had no rights in the '311 Patent when she executed the April 2010 Assignment Agreement purporting to assign all present and future rights, title, and interest to Purple Leaf Delaware. The ineffective 2010 Assignment Agreement did not purport to assign the right to past damages to Purple Leaf Delaware.

86. As alleged in at least paragraphs 65–70 above, the Mutual Settlement and Release and the Quitclaim Assignment executed between Navigator and Purple Leaf Delaware and assigning all rights, title, and interest to Purple Leaf Delaware became effective no earlier than June 16, 2011. On information and belief, despite having no rights to the '311 Patent before June 2011, Purple Leaf Delaware on May 26, 2011 executed the 2011 Assignment Agreement, purporting to assign all rights, title, and interest to Purple Leaf Texas. On information and belief, Purple Leaf Delaware has not assigned any valid right to the '311 Patent to Purple Leaf Texas.

87. Despite having no rights to the '311 Patent and no standing to enforce any such rights, Defendant Purple Leaf Texas asserted the '311 Patent against SAP by filing the Texas Action on May 31, 2011.

88. SAP therefore requests a judicial determination that Defendant Purple Leaf Texas lacked ownership in the '311 Patent at the time it filed the Texas Action against SAP on May 31, 2011 and had no right or standing to enforce the '311 Patent at that time.

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11 *SAP America, Inc.*

12 UNITED STATES DISTRICT COURT  
13 NORTHERN DISTRICT OF CALIFORNIA

14 SAN JOSE DIVISION

15  
16 SAP AMERICA, INC.,

17 Plaintiff,

18 vs.

19 PURPLE LEAF, LLC, a Delaware  
corporation, PURPLE LEAF, LLC, a  
20 Texas corporation, and RANI YADAV-  
RANJAN, an individual,

21 Defendants.  
22

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SEP 10 2011

JCS  
CV 11-04601

Case No. CV

COMPLAINT FOR DECLARATORY  
RELIEF

DEMAND FOR JURY TRIAL

23 Plaintiff SAP America, Inc. ("SAP") herby asserts the following claims against Defendant  
24 Purple Leaf, LLC, a Delaware limited liability company ("Purple Leaf Delaware"), Defendant  
25 Purple Leaf, LLC, a Texas limited liability company ("Purple Leaf Texas"), and Defendant Rani  
26 Yadav-Ranjan ("Yadav-Ranjan") (collectively, "Defendants") and alleges as follows:  
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89. SAP further seeks a judicial determination as to whether and when any of the Defendants held title to the '311 Patent in order to determine whether and when any of the Defendants had standing to bring suit and for what period any of the Defendants can claim damages should this Court determine damages are appropriate for any alleged infringement. Such a determination is necessary and appropriate so that SAP may ascertain its rights regarding the '311 Patent.

### **PRAYER FOR RELIEF**

WHEREFORE, Plaintiff SAP prays for a declaration from this Court and judgment as follows:

1. That SAP does not infringe any of the claims of the '311 Patent;
2. That each and every claim of the '311 Patent is invalid;
3. That the '311 Patent is unenforceable;
4. That Defendant Purple Leaf Texas did not have any rights to the '311 Patent or standing to sue for infringement of the '311 when it filed suit against SAP in the Eastern District of Texas on May 31, 2011;
5. Declaring who owns and is entitled to sue for damages for alleged past infringement of the '311 Patent;
6. That this is an exceptional case within the meaning of 35 U.S.C. § 285, entitling SAP to an award of reasonable attorneys' fees, expenses, and costs in this action; and
7. For such other and further relief as this Court deems just, reasonable, and proper.


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**JURY DEMAND**

Plaintiff SAP America, Inc. demands a trial by jury on all issues presented herein.

DATED: September 16, 2011

SIMPSON THACHER & BARTLETT LLP

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SAP America, Inc.*

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**JURISDICTION (Civil L.R. 3-5(a)) AND VENUE**

6. This action arises under the patent laws of the United States, Title 35 of the United States Code, with a specific remedy sought based upon the laws authorizing actions for declaratory judgment in the courts of the United States, 28 U.S.C. §§ 2201 and 2202. This Court has jurisdiction over this action pursuant to 28 U.S.C. §§ 1331, 1338(a), and 1367.

7. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400 because, on information and belief, Defendants Purple Leaf Delaware, Purple Leaf Texas, and Yadav-Ranjan reside in this district pursuant to § 1391(c), a substantial part of the events, acts, and/or omissions giving rise to the claims against Defendants occurred in this district, and the alleged infringing instrumentalities were developed and/or operated in this district.

8. Defendant Purple Leaf Delaware is subject to personal jurisdiction in this judicial district because, on information and belief, it has engaged in substantial business within this forum amounting to sufficient minimum contacts, and has consented to personal jurisdiction in this district by *inter alia* purposefully reaching into California by appearing in and filing a cross-complaint in *Estakhri v. Yadav-Ranjan and Purple Leaf, LLC*, Case No. 1-10-CV-178576, in the Superior Court of California, County of Santa Clara ("Santa Clara County Action") in an effort to acquire the rights to the '311 Patent from Navigator Technology, Inc., a corporation with a principal place of business in this district. Defendant Purple Leaf Delaware is also subject to personal jurisdiction in this district because, on information and belief, it is the alter ego of Defendant Yadav-Ranjan, an individual who resides in this district.

9. This Court has personal jurisdiction over Defendant Purple Leaf Texas because, on information and belief, it has engaged in substantial business within this forum amounting to sufficient minimum contacts, including by *inter alia* purposefully reaching into California by auctioning covenants not to sue for the '311 Patent through its auctioneer and agent ICAP Patent Brokerage, LLC ("ICAP"). On August 10, 2011, ICAP issued a press release, which was picked up and retransmitted by numerous media outlets and websites, announcing an "auction" of a covenant not to sue under the '311 Patent. The auction for the covenant not to sue seeks bids from companies or entities located throughout the United States, including companies located in



1 California and in this district. On information and belief, Purple Leaf Texas directed the press  
2 release at least in part to SAP and other defendants it has sued in the Eastern District of Texas,  
3 including Google, Inc. ("Google") and eBay Inc. ("eBay"), both of whom also maintain a  
4 principal place of business in this district. The auction includes two covenants not to sue on the  
5 '311 Patent, one designated for parties who have been sued by Purple Leaf Texas, including SAP,  
6 and one designated for companies who are not in litigation. The press release states that the  
7 auction permits a "litigation defendant" to purchase a covenant not to sue anonymously through  
8 ICAP's auction process and thereby "provides defendants a unique opportunity to quickly and  
9 efficiently eliminate the uncertainty inherent in litigation without compromising their defense  
10 strategy in the event of an unsuccessful bid." On information and belief, Purple Leaf Texas,  
11 through its agent ICAP, will hold its auction on the covenant not to sue on September 27, 2011 in  
12 Los Angeles, California. SAP and its counsel received the press release and the invitation to bid.  
13 Thereafter, Purple Leaf Texas, through its auctioneer and agent ICAP, offered to visit Palo Alto  
14 to discuss the covenant not to sue. On September 8, 2011, Purple Leaf Texas, through its  
15 auctioneer and agent ICAP, met with counsel for SAP in Palo Alto, California to discuss the  
16 planned auction for the covenant not to sue. Purple Leaf Texas, through its auctioneer and agent  
17 ICAP, provided SAP with a draft covenant not to sue for infringement of the '311 Patent. In  
18 addition, on information and belief, Purple Leaf Texas, through its auctioneer and agent ICAP,  
19 offered to visit and, on August 30, 2011, did visit the San Francisco offices of Google's counsel  
20 to discuss the planned auction for the covenant not to sue. Thereafter, on information and belief,  
21 Purple Leaf Texas, through its auctioneer and agent ICAP, provided counsel for Google with a  
22 draft covenant not to sue for infringement of the '311 Patent. Purple Leaf Texas is also subject to  
23 personal jurisdiction in this district because, on information and belief, it is the alter ego of  
24 Defendant Yadav-Ranjan, an individual who resides in this district.

25 10. This Court has personal jurisdiction over Defendant Yadav-Ranjan because, on  
26 information and belief, Defendant Yadav-Ranjan resides in this district and has engaged in  
27 continuous and systemic activities within this district, including by *inter alia* residing in this  
28

1 District and serving as an officer of multiple corporations with a principal place of business in  
2 this district.

3 **INTRADISTRICT ASSIGNMENT (Civil L.R. 3-5(b))**

4 11. Because this action is an Intellectual Property Action as specified in Civil L.R. 3-  
5 2(c), it is to be assigned on a district-wide basis.

6 **FACTS**

7 **Defendant Yadav-Ranjan's Assignment of the '311 Patent to Navigator**

8 ***The 2007 Intellectual Property Assignment Agreement***

9 12. The patent application that issued as the '311 Patent was filed with the United  
10 States Patent and Trademark Office ("USPTO") on November 25, 2000 as Application No.  
11 09/721,728, naming Defendant Yadav-Ranjan as the sole inventor.

12 13. On or about September 15, 2002, Defendant Yadav-Ranjan founded Navigator  
13 Technology, Inc. (f/k/a Construction Navigator Inc.), a corporation that purports to provide  
14 information about professional licensing for contractors in the United States. Navigator  
15 Technology, Inc. was originally formed under the laws of the State of Delaware as Construction  
16 Navigator, Inc. On or about May 6, 2009, Defendant Yadav-Ranjan signed and delivered or  
17 caused to be delivered to the Delaware Secretary of State a Certificate of Amendment to the  
18 Amended and Restated Certificate of Incorporation of Construction Navigator Inc. (the  
19 "Certificate of Amendment"), which changed the name of Construction Navigator, Inc to  
20 Navigator Technology, Inc.<sup>1</sup>

21 14. Beginning in approximately June of 2007, Defendant Yadav-Ranjan approached  
22 potential investors about investing in Navigator.  
23  
24  
25

26 \_\_\_\_\_  
27  
28 <sup>1</sup> Unless otherwise specified, Navigator Technology, Inc. and Construction Navigator, Inc. are  
herein referred to as "Navigator."

1           15.     On or about September 18, 2007, to induce investments in Navigator, Defendant  
2     Yadav-Ranjan entered into an Intellectual Property Assignment Agreement (the "2007  
3     Assignment Agreement") with Navigator through which Defendant Yadav-Ranjan agreed to  
4     assign all right, title, and interest to her intellectual property to Navigator. A copy of the 2007  
5     Assignment Agreement is attached hereto as Exhibit B.

6           16.     Specifically, Defendant Yadav-Ranjan and Navigator represented in the 2007  
7     Assignment Agreement that "in order to induce such investors to invest in the [stock financing]  
8     and in order to increase the value of [Defendant Yadav-Ranjan]'s equity holdings in [Navigator],  
9     [Defendant Yadav-Ranjan] desires to transfer and assign all right title and interest in and to the  
10    Technology, Intellectual Property and Registered Intellectual Property (each as defined below) to  
11    Navigator."

12          17.     The 2007 Assignment Agreement provides that it is a "condition to the closing of  
13    [stock financing] that [Defendant Yadav-Ranjan] transfers and assigns all right and title and  
14    interest in and to the Technology, Intellectual Property and Registered Intellectual property to  
15    [Navigator]."

16          18.     The 2007 Assignment Agreement provides that "[Defendant Yadav-Ranjan]  
17    hereby transfers and assigns to [Navigator] all right, title and interest in and to the Technology,  
18    Intellectual Property and Registered Intellectual Property."

19          19.     The 2007 Assignment Agreement further provides that "Schedule B lists all  
20    Registered Intellectual Property owned by, or filed in the name of, [Defendant Yadav-Ranjan].  
21    Schedule B lists all Registered Intellectual Property that is transferred to [Navigator] by Founder  
22    [Defendant Yadav-Ranjan], pursuant to this Agreement."

23          20.     The intellectual property set forth in Schedule B that was transferred by Defendant  
24    Yadav-Ranjan to Navigator pursuant to the 2007 Assignment Agreement includes Patent  
25    Application 09/721,728, filed November 25, 2000, entitled "Process and Device for Conduction  
26    Electronic Transactions," which ultimately issued as the '311 Patent.

27                   ***The At Will Employment and Invention Assignment Agreement***

28          21.     On or around September 24, 2007, Defendant Yadav-Ranjan and Navigator

1 entered into an At Will Employment, Confidential Information, Invention Assignment, And  
2 Arbitration Agreement ("2007 Employment Agreement").

3 22. Defendant Yadav-Ranjan represented in the Employment Agreement that she  
4 "attached hereto as Exhibit A, a list describing all inventions . . . which were made by me prior to  
5 my employment with the Company, which belong to me, which relate to the Company's proposed  
6 business, products or research and development, and which are not assigned to the Company  
7 hereunder; or, if no such list is attached, I represent that there are no such Prior Inventions."  
8 Defendant Yadav-Ranjan did not list *any* intellectual property in Exhibit A, thereby representing  
9 that there were no such Prior Inventions.

10 ***The Series A Preferred Stock Financing Agreement***

11 23. On or about September 28, 2007, Navigator entered into a Series A Preferred  
12 Stock Financing Agreement for the sale of 3,750,000 shares of Series A Preferred Stock (the  
13 "Financing Agreement"). The Financing Agreement was signed by Defendant Yadav-Ranjan on  
14 behalf of Navigator.

15 24. The Financing Agreement provides that, as a condition to closing the Series A  
16 Financing Agreement, Navigator and Defendant Yadav-Ranjan shall have executed the 2007  
17 Assignment Agreement.

18 25. The Financing Agreement also provides "No employee, officer or consultant of  
19 [Navigator] has (i) excluded works or inventions made prior to his or her employment with  
20 [Navigator] from his or her assignment of inventions pursuant to such employee, officer or  
21 consultant's proprietary information and inventions agreement or (ii) failed to affirmatively  
22 indicate in such proprietary information and inventions agreement that no such works or  
23 inventions made prior to his or her employment with [Navigator] exist."

24 **Yadav-Ranjan's Wrongful Assignment of the '311 Patent to Purple Leaf Delaware**

25 26. On information and belief, Defendant Yadav-Ranjan was the President and Chief  
26 Executive Officer of Navigator from its formation on September 15, 2002 until her resignation on  
27 October 30, 2009.

28 27. Publically available documents from the Santa Clara Action, *Estakhri v. Yadav-*

1 *Ranjan and Purple Leaf, LLC*, Case No. 1–10–CV–178576, in the Superior Court of California,  
2 County of Santa Clara, Dkt. No. 1, allege that, in April 2010, Navigator’s Board of Directors  
3 learned that Defendant Yadav-Ranjan, while serving as Chairperson of the Board of Directors of  
4 Navigator, instructed contractors and former employees to reformat their hard drives and  
5 otherwise alter or destroy Navigator’s assets.

6 28. Subsequently, on information and belief, Navigator’s Board of Directors noticed a  
7 meeting of the Board for April 8, 2010.

8 29. At the April 8, 2010 Board meeting, on information and belief, the Board removed  
9 Yadav-Ranjan as Chairperson of the Board and as an officer of Navigator.

10 30. On information and belief, just prior to when Navigator’s Board removed  
11 Defendant Yadav-Ranjan as an officer of Navigator and in the months following her removal,  
12 Defendant Yadav-Ranjan engaged a series of actions in an attempt to effectuate the wrongful  
13 transfer of the ’311 Patent to Purple Leaf Delaware, without permission from Navigator.

14 31. Starting on April 6, 2010, just two days prior to her removal as Chairperson,  
15 Defendant Yadav-Ranjan formed or caused to be formed Purple Leaf Delaware.

16 32. On April 15, 2010, one week after she was removed as Chairperson of Navigator,  
17 Defendant Yadav-Ranjan executed an assignment purporting to assign the ’311 Patent from  
18 herself to Purple Leaf Delaware (“2010 Assignment Agreement”), despite the fact that she had  
19 previously assigned the ’311 Patent to Navigator in 2007. Accordingly, the 2010 Assignment  
20 Agreement was ineffective and did not result in the ’311 Patent being assigned to Purple Leaf  
21 Delaware.

22 33. In the 2010 Assignment Agreement, Defendant Yadav-Ranjan wrongfully  
23 represented that she is the “owner of the entire right, title and interest” in the ’311 Patent.

24 34. Defendant Yadav-Ranjan further wrongfully represented in the 2010 Assignment  
25 Agreement that she had not “knowingly conveyed to others any rights in said inventions,  
26 discoveries, applications or patents or any license to use the same or to make, use or sell anything  
27 embodying or utilizing any of said inventions or discoveries and that I have good right to assign  
28 the same to Assignee without encumbrance.”